(c) and (d). The Government for the following reasons, is not considering revival of exemption from income tax to the residents of Ladakh :-

(i) Time to time increase in the exemption limit to the present limit of Rs.40,000/- combined with other tax benefits such as standard deduction, deduction under section 80L, tax rebate under section 88, etc. take care of residents with poor economic conditions.

(ii) Income-tax exemption which was intended to benefit the poor sections of the people of Ladakh was benefiting the affluent and was being misused by unscrupulous businessmen for laundering their black money through the residents of Ladakh.

(iii) Income Tax is levied on the basis of the paying capacity of the taxpayer and the place of residence, normally, cannot be a ground for total exemption from income tax.

**Retirement Age of High Court Judges**

2638. SHRI BALAI CHANDRA RAY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there is any proposal to raise the retirement age of High Court Judges; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATURE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) No, Sir.

(b) Does not arise.

**Central Board of Revenue**

2639. SHRI ANANT KUMAR HEGDE : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to constitute a Central Board of Revenue by merging the Central Board of Direct Taxes and the Central Board of Excise and Customs;

(b) if so, the details thereof;

(c) the time by which the proposal is likely to be implemented; and

(d) if not, the other steps taken for improvement in the efficiency of revenue mobilisation and client services?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) No, such proposal is under consideration at present.

(b) and (c). Does not arise in view of reply to (a) above.

(d) Various steps have been taken at the policy level for effecting improvement in the efficiency of revenue mobilisation and client services. With this end in view the tax structure has been rationalised and procedures have been simplified. Emphasis has been given to reduce the scope of discretion and minimise litigation. Constant endeavour is also made to create a climate of mutual trust between the Government and tax payers. At the same time, the efficiency of the existing preventive mechanism to deal with tax evasion is being constantly reviewed and strengthened.

**Income Tax Exemption to Sports Authority of Karnataka**

2640. SHRI K.C. KONDAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether the Sports Authority of Karnataka has requested for 100% Income Tax exemption for contributions to be made towards 4th National Games;

(b) if so, whether the Union Government have since rejected the above proposal;

(c) if so, the reasons thereof; and

(d) whether the Government propose to reconsider its decision?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (d). The Government has not yet taken any decision on the fresh request of Government of Karnataka on behalf of the Sports Authority of Karnataka.

*[Translation]*

**Textile Industry in Madhya Pradesh**

2641. SHRI SUKH LAL KUSHWAHA : Will the Minister for TEXTILES be pleased to state :

(a) The rank of Madhya Pradesh in the field of textile industry in the country;

(b) the present number of units engaged in the production of handloom, powerloom, synthetic yarn, readymade garments and hosiery in the State;

(c) the amount spent by the Government during each of the last three years on the development of textile industry in the State; and

(d) the steps taken by the Government to promote the export of cloth produced by the said units?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) The share of State of Madhya Pradesh in the field of textile industry in the country, in terms of installed spindleage/installed loomage, registered numbers of powerloom and numbers of handloom is approximately 3.2%.